UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

Mark One
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTER ENDED NOVEMBER 30, 1996

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

COMMISSION FILE NO. 1-11288

APPLIED POWER INC.
(Exact name of Registrant as specified in its charter)

WISCONSIN	39-0168610
(State of incorporation)	(I.R.S. Employer Id. No.)

13000 WEST SILVER SPRING DRIVE
BUTLER, WISCONSIN 53007
MAILING ADDRESS: P. O. BOX 325, MILWAUKEE, WISCONSIN 53201
(Address of principal executive offices) (Zip Code)

(414) 781-6600
(Registrant's telephone number)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO ___

Number of outstanding shares of Class A Common Stock: 13,749,676 as of December 31, 1996.

The Index to Exhibits appears on Page 11.

APPLIED POWER INC.

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PART I - FINANCIAL INFORMATION

ITEM 1 - FINANCIAL STATEMENTS

APPLIED POWER INC.
CONDENSED CONSOLIDATED STATEMENT OF EARNINGS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

<TABLE>
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	Three Months Ended November 30,	
	1996	1995
<S>	<C>	<C>
Net Sales	$ 153,096	$ 139,270
Cost of Products Sold	92,458	85,189
Gross Profit	60,638	54,081
Engineering, Selling and Administrative Expenses	42,235	39,856
Operating Earnings	18,403	14,225
Other Expense(Income):		
Net financing costs	2,625	2,067
Amortization of intangible assets	1,498	720
Other - net	(66)	100
Earnings Before Income Tax Expense	14,346	11,338
Income Tax Expense	4,806	3,628
Net Earnings	$ 9,540	$ 7,710
Primary Earnings Per Share:		
Earnings Per Share	$ 0.67	$ 0.55
Weighted Average Common and Equivalent Shares Outstanding (000's)	14,186	13,993
Fully Diluted Earnings Per Share:		
Earnings Per Share	$ 0.67	$ 0.55
Weighted Average Common and Equivalent Shares Outstanding (000's)	14,237	14,008

</TABLE>

See accompanying Notes to Condensed Consolidated Financial Statements

APPLIED POWER INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

<TABLE>
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	November 30,	August 31,

<S>	1996 (Unaudited) <C>	1996 <C>
ASSETS		
Current Assets		
Cash and cash equivalents	$ 1,894	$ 1,001
Net accounts receivable	69,893	68,747
Net inventories	123,538	120,648
Prepaid income tax	10,734	10,734
Prepaid expenses	5,656	5,775
Total Current Assets	211,715	206,905
Other Assets	6,735	6,370
Goodwill	100,966	58,266
Other Intangibles	32,920	33,464
Net Property, Plant and Equipment	78,866	76,236
Total Assets	$431,202	$381,241
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Short-term borrowings	$ 20,885	$ 16,068
Trade accounts payable	38,910	41,397
Accrued compensation and benefits	17,525	20,805
Income taxes payable	7,431	7,081
Other current liabilities	23,850	22,378
Total Current Liabilities	108,601	107,729
Long-Term Debt, less current maturities	115,847	76,548
Deferred Income Taxes	13,930	15,395
Other Deferred Liabilities	14,682	13,114
Shareholders' Equity		
Common stock, $0.20 par value, authorized 40,000,000 shares, issued and outstanding 13,744,276 and 13,652,349 shares, respectively	2,749	2,730
Additional paid-in capital	35,912	34,383
Retained earnings	135,520	126,392
Cumulative translation adjustments	3,961	4,950
Total Shareholders' Equity	178,142	168,455
Total Liabilities and Shareholders' Equity	$431,202	$381,241

</TABLE>

See accompanying Notes to Condensed Consolidated Financial Statements

APPLIED POWER INC.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(DOLLARS IN THOUSANDS)
(UNAUDITED)

<TABLE>
<CAPTION>

<S>	Three Months Ended November 30, 1996 <C>	Three Months Ended November 30, 1995 <C>
OPERATING ACTIVITIES		
Net Earnings	$ 9,540	$ 7,710
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	5,735	5,067
Changes in operating assets and liabilities, excluding the effects of business acquisitions and disposals:		
Accounts receivable	2,297	627
Inventories	(1,687)	(2,641)
Prepaid expenses and other assets	(1,766)	(754)

Trade accounts payable	(3,850)	251
Other liabilities	(211)	(5,602)
Income taxes payable	(992)	2,396
Net Cash Provided By Operating Activities	9,066	7,054
INVESTING ACTIVITIES		
Proceeds on the sale of property, plant and equipment	2,695	98
Additions to property, plant and equipment	(4,927)	(6,387)
Cash used for business acquisitions	(52,000)	(3,855)
Net Cash Used In Investing Activities	(54,232)	(10,144)
FINANCING ACTIVITIES		
Net borrowings under credit agreements	40,000	5,831
Net borrowings(repayments) on short-term credit facilities	4,932	(7,003)
Net commercial paper repayments	-	(308)
Additional receivables financed	525	5,791
Dividends paid on common stock	(412)	(403)
Stock options exercised	1,548	170
Other	-	(42)
Net Cash Provided By Financing Activities	46,593	4,036
Effect of Exchange Rate Changes on Cash	(534)	96
Net Increase in Cash and Cash Equivalents	893	1,042
Cash and Cash Equivalents - Beginning of Period	1,001	911
Cash and Cash Equivalents - End of Period	$ 1,894	$ 1,953

</TABLE>

See accompanying Notes to Condensed Consolidated Financial Statements

APPLIED POWER INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

NOTE A - BASIS OF PRESENTATION
The accompanying unaudited condensed consolidated financial statements of Applied Power Inc. (the "Company") have been prepared in accordance with generally accepted accounting principles for interim financial reporting and with the instructions of Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. For additional information, refer to the consolidated financial statements and footnotes thereto in the Company's 1996 Annual Report on Form 10-K.

In the opinion of management, all adjustments considered necessary for a fair presentation have been made. Such adjustments consist of only those of a recurring nature. Operating results for the three months ended November 30, 1996 are not necessarily indicative of the results that may be expected for the fiscal year ending August 31, 1997.

NOTE B - ACQUISITIONS
The Company, through its Wright Line subsidiary, purchased the net assets of Everest Electronic Equipment, Inc. ("Everest") on September 26, 1996 for cash consideration of $52,000, which was funded through borrowings under existing credit facilities. Approximately $42,000 of the purchase price was assigned to goodwill. Everest is a manufacturer of custom and standard electronic enclosures used by the computer, telecom, datacom and other industries and is headquartered in Anaheim, California. The results of Everest subsequent to September 26, 1996 are included in the Condensed Consolidated Statement of Earnings.

On May 15, 1996, CalTerm, Inc. ("CalTerm") was merged with a wholly-owned subsidiary of the Company. Consideration included 122,810 shares of Applied Power Inc. Class A common stock (valued at approximately $3,930) and approximately $1,038 in cash. In addition, the Company assumed approximately $6,000 of outstanding debt which was extinguished by the Company shortly after the merger. In conjunction with the acquisition, a warehouse operated by CalTerm in Reno, Nevada was purchased for approximately $2,300 and there were payments of $1,000 for non-compete agreements. Three individuals received employment agreements and related stock options. Cash payments required were funded through borrowings under existing credit facilities. Goodwill of approximately $2,000 was recorded as a result of this transaction. Headquartered in San Diego, California, CalTerm is a supplier of electrical consumables and tools primarily to the retail automotive aftermarket. The results of operations of CalTerm subsequent to the acquisition date are included in the Condensed Consolidated Statement of Earnings.

On February 23, 1996, the Company's Wright Line subsidiary acquired the European distribution rights for its products for cash of $1,250 plus forgiveness of accounts receivable outstanding of $723 from its European distributor. Goodwill of approximately $1,900 was generated in conjunction with the transaction.

On December 8, 1995, the Company acquired the remaining 10% minority interest in Applied Power Korea. Cash of $388 was used in the acquisition, which generated goodwill of approximately $340. The results of operations of this subsidiary have historically been included in the Condensed Consolidated Statement of Earnings.

The Company's Enerpac division acquired the assets of Designed Fluid-Air Systems, Inc. ("DFAS") on October 26, 1995 for $298 in cash plus future royalties. The royalties are to be paid over the next five years and are not to exceed $500 in the aggregate. Approximately $100 of the purchase price was assigned to goodwill. DFAS, located in Oswego, Illinois, designs, fabricates and assembles customized quick die change systems utilizing hydraulic, pneumatic and electrical components. The results of operations of DFAS after October 26, 1995 are included in the Condensed Consolidated Statement of Earnings.

On September 29, 1995, the Company completed the acquisition of substantially all of the assets and certain liabilities of Vision Plastics Manufacturing Company ("Vision") for $3,557 in cash. Included in the liabilities assumed was $1,357 of outstanding mortgage debt which was subsequently extinguished by the Company during the first quarter of fiscal 1996.

Certain proprietary technology rights and patents related to the business were acquired in a separate transaction in January, 1996. Total consideration for the two transactions was approximately $21,500, and was funded by proceeds from borrowings under existing credit facilities. Vision, based in San Diego, California, manufactures plastic cable ties which are sold through electrical wholesale, retail and OEM channels. The results of operations for Vision subsequent to the acquisition date are included in the Condensed Consolidated Statement of Earnings.

All acquisitions were accounted for using the purchase method.

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

RESULTS OF OPERATIONS
The Company reported record sales and earnings for the quarter ended November 30, 1996. Net earnings for the most recent quarter were $9,540, or $0.67 per share, compared to $7,710, or $0.55 per share, recorded in the comparable prior year period. Increased sales, due in part to acquisitions, and greater leverage on manufacturing and operating costs contributed to the improved results. Operating margins improved to 12.0 percent, the highest operating margin since August 1990. Foreign currency translation had the effect of reducing reported sales by approximately 2%.

The Company renamed its Wright Line segment to Technical Environments and Enclosures ("TEE"). This segment combines Wright Line with the recently acquired Everest Electronic Enclosures business. Both businesses share some common products and manufacturing. The Wright Line business is focused on selling technical environments and standard electronic enclosures directly to end users, while the Everest business sells custom enclosures primarily to electronic equipment OEMs.

<TABLE>
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	Three Months Ended November 30,		
SALES BY SEGMENT	1996	1995	Change
<S>	<C>	<C>	<C>
Distributed Products	$ 72,857	$ 67,026	9 %
Engineered Solutions	44,628	47,924	(7)%
Technical Environments and Enclosures	35,611	24,320	46 %
Total	$153,096	$139,270	10 %

</TABLE>

Revenues from Distributed Products increased 9% from the first quarter of fiscal 1996 despite the effect of the strengthening US Dollar, which negatively impacted current period sales by approximately 2%. The segment benefited from approximately $5,200 in sales of businesses acquired net of the HIT product line disposition. The majority of the remaining increase is attributable to growth in the retail electrical DIY market.

Engineered Solutions reported a first quarter sales decrease of 7% over the comparable prior year period. The sale of its mobile equipment valve line in January 1996 and the completion of a valve contract with Cadillac were the primary reasons for the decline.

Technical Environments and Enclosures revenues grew by 46%, bolstered by the strategic acquisition of the Everest Electronic Equipment business which added approximately $6,300 in sales for the three months ended November 30, 1996. The sustained success of the LAN Management System product line and the continued expansion in both the size and geographic placement of its direct sales force also contributed to the increased sales.

	Three Months Ended November 30,		
GROSS PROFIT BY SEGMENT	1996	1995	Change
Distributed Products	$29,582	$28,563	4 %
Engineered Solutions	14,391	13,826	4 %
Technical Environments and Enclosures	16,665	11,692	43 %
Total	$60,638	$54,081	12 %

Total gross profit increased 12% from the first quarter of fiscal 1996, primarily due to increased sales volume and the resulting fixed manufacturing cost leverage. Overall, the Company's gross profit percentage increased to 39.6% from 38.8% for the three months ended November 30, 1996 and 1995, respectively. The improvement is primarily due to favorable product mix, specifically the increase of Technical Environments and Enclosures as a larger portion of the total Company.

	Three Months Ended November 30,		
OPERATING EXPENSES	1996	1995	Change
Distributed Products	$19,898	$19,426	2 %
Engineered Solutions	10,316	10,491	(2)%
Technical Environments and Enclosures	10,802	8,387	29 %
General Corporate	1,219	1,552	(21)%
Total	$42,235	$39,856	6 %

First quarter operating expenses were 6% higher than reported in the first quarter of 1996, reflecting the impact of acquisitions, which added approximately $1,400 in operating expenses for the quarter, and the higher sales levels. In total, operating expenses were reduced to 27.6% of net sales compared to 28.6% for the first quarter ended November 30, 1995. This was the result of continued efforts to aggressively manage spending levels throughout the Company, which generated an improved operating profit margin of 12.0%, up from 10.2% for the comparable prior year period.

Net financing costs for the three months ended November 30, 1996 increased as a result of the additional $52,000 borrowed for the acquisition of the Everest Electronics Equipment business early in the first quarter. While the debt outstanding decreased steadily subsequent to the transaction, the average outstanding for the quarter was higher than that for the comparable prior year period.

Amortization expense for the quarter ended November 30, 1996 was higher than that reported for the three months ended November 30, 1995 due to the significant acquisitions made subsequent to the first quarter of fiscal 1996, including the Vision Plastics technology rights and patents, the European distribution rights for Technical Environments and Enclosures products, and goodwill associated with the purchase of the CalTerm and Everest businesses.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents totaled $1,894 at November 30, 1996 and $1,001 at August 31, 1996. In order to minimize net financing costs, the Company intentionally maintains low cash balances by using available cash to reduce short-term bank borrowings.

Net cash generated from operations, after considering non-cash items and changes in operating assets and liabilities, totaled $9,066 and $7,054 for the three month periods ended November 30, 1996 and 1995, respectively. Increased sales volume, which resulted in higher operating earnings, generated the improvement.

Net cash used in investing activities totaled $54,232 for the first quarter of fiscal 1997, $4,927 of which was used for capital expenditures and $52,000 for the acquisition of Everest. Lower capital expenditures relative to the prior year reflect the fiscal 1996 completion of the paint line and building additions at Wright Line and warehouse improvements at GB Electrical. During the quarter, the Company completed a sale and leaseback transaction related to approximately $1,050 of machinery.

<TABLE>
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TOTAL CAPITALIZATION	NOVEMBER 30, 1996		August 31, 1996	
<S>	<C>	<C>	<C>	<C>
Shareholders' Equity	$178,143	54%	$168,455	61%
Total Debt	136,732	42%	92,616	33%
Deferred Taxes	13,930	4%	15,395	6%
Total	$328,805	100%	$276,466	100%

</TABLE>

Outstanding debt at November 30, 1996 totaled $136,732, an increase of approximately $44,000 since the beginning of the year. Despite the acquisition of Everest and the resulting $52,000 borrowing, the Company was able to pay down approximately $8,000 in the two months subsequent to the acquisition through strong operating cash inflows and tight cost control measures. Debt as a percentage of total capitalization ended the quarter at 42%, up from 33% at the beginning of the year. Dividends of $412 were paid, while the exercise of stock options generated an additional $1,548 of cash.

PART II - OTHER INFORMATION

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

(a) See Index to Exhibits on page 11, which is incorporated herein by reference.

(b) The Company filed a Current Report on Form 8-K under Item 2 dated September 26, 1996 announcing that the Company, with its Wright Line subsidiary, acquired the net assets of Everest Electronic Equipment, Inc. The required financial statements and related pro forma disclosures were filed as an amendment to the Current Report on Form 8-K/A dated December 10, 1996.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

APPLIED POWER INC.
(Registrant)

Date: January 13, 1997

By: /s/Robert C. Arzbaecher

Robert C. Arzbaecher
Vice President and
Chief Financial Officer
(Principal Financial Officer
and duly authorized to sign
on behalf of the registrant)

APPLIED POWER INC.

INDEX TO EXHIBITS

FISCAL 1997 FIRST QUARTER 10-Q

EXHIBIT 11

APPLIED POWER INC.
COMPUTATION OF EARNINGS PER SHARE
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	Three Months Ended November 30,	
	1996	1995
PRIMARY:		
Average shares outstanding	13,698	13,410
Net effect of dilutive options based on the treasury stock method using average market price	488	583
Total	14,186	13,993
Net earnings	$ 9,540	$ 7,710
Primary earnings per share	$ 0.67	$ 0.55
FULLY DILUTED:		
Average shares outstanding	13,698	13,409
Net effect of dilutive options based on the treasury stock method using the greater of average or period-end market price	539	599
Total	14,237	14,008
Net earnings	$ 9,540	$ 7,710
Fully diluted earnings per share	$ 0.67	$ 0.55

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This schedule contains summary financial information extracted from the unaudited financial statements of Applied Power Inc. for the three month period ended November 30, 1996 and is qualified in its entirety by reference to such financial statements.
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